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COMMONWEALTH EDISON  
COMPANY

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APPROVAL OF ITS ENERGY  
EFFICIENCY AND DEMAND  
RESPONSE PLAN PURSUANT TO  
SECTION 12-103(F) OF THE  
PUBLIC UTILITIES ACT

DOCKET NO. 07-0540

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PETITION FOR LEAVE TO INTERVENE  
AND INITIAL COMMENTS OF CONSUMERPOWERLINE

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DATED: NOVEMBER 29, 2007

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

**COMMONWEALTH EDISON  
COMPANY**

**APPROVAL OF ITS ENERGY  
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AND NOW COMES **Scott H. DeBroff, Esquire** and **Stephen J. Romeo, Esquire** of Smigel, Anderson, & Sacks LLP, on behalf of his client, **ConsumerPowerline (“CPLN”)**, and files this petition for Leave to Intervene and Initial Comments in the above captioned proceeding, pursuant to the Rules and Regulations of the Illinois Commerce Commission (“Commission”) for the purpose of entering an appearance and becoming a full participant in this docket and avers the following:

1. **ConsumerPowerline (“CPLN”)** is one of the nation’s leading demand side management providers, with significant experience providing demand response, energy efficiency, and distributed generation services in New York, New England, California, the Mid-Atlantic, and

increasingly in other regions. CPLN maintains direct alignment with our clients' incentives – we earn revenues only when we achieve energy savings for our clients: large and small end-users of all types.

2. On November 5, 2007, Commonwealth Edison Company filed with the Illinois Commerce Commission (the “Commission”) a petition seeking approval of their Environmental Efficiency and Demand Response Plan, as required by Section 12-103 of the Public Utilities Act (220 ILCS 5/12-103).

3. CPLN is a party interested in the above-captioned docket and the development of Energy Efficiency and Demand Response Plans that will meet the energy efficiency and demand response standards for 2008 through 2010 in the State of Illinois.

4. CPLN is a full service strategic energy asset management firm and one of the largest providers of demand response solutions in the United States with more than 1200 MW's under management. CPLN currently operates in the nation's largest energy markets including Illinois, New York, California, New England, and many others. ConsumerPowerline's clients include Fortune 1000 companies and some of the nation's largest commercial, residential, retail and institutional facilities. ConsumerPowerline has found particular success partnering with hotels, hospitals, large co-op residential apartment complexes, financial institutions, unions, and REIT's. CPLN's clients include dozens of substantial users of energy nationwide.

5. CPLN provides its clients with Demand Management, Curtailment Services and Strategic Energy Asset Management Services. These services include assumption of market risk, representation in all ISO/State programs, interval metering, web-based access to consumption of data, engineering qualification of curtailable load, financing to improve demand response capabilities, frequent optimization of biddable loads, comprehensive energy audits and analysis, identification of tax saving opportunities, design and project management of ECMs & PDRs, generator uploading, load switching and controls, retro-commissioning to improve energy efficiency, controls development, upgrades and optimization, incentive optimization and reporting, project financing, performance-based contracting and stream management and negotiations. As a result of these services, CPLN is able to provide clients with cost saving mechanisms to reduce energy usage.

6. CPLN's clients include more than 75 million square feet of commercial real estate and more than 110,000 residential units. CPLN is also the largest provider of demand response solutions in the United States with more than 750 MW's under management.

7. As the leading demand response solutions provider in the United States, CPLN has business interests in Illinois that will be affected by the outcome of the proceeding and seeks to intervene in this proceeding as a full party.

8. CPLN agrees to accept service by electronic means as provided for in Section 200.1050 of the Commission's Rules of Practice. (83 Ill. Adm. Code 200.1050).

9. ConsumerPowerline's counsel, and to whom all correspondence and pleadings in this docket should be directed to, is:

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**INITIAL COMMENTS OF CONSUMERPOWERLINE ON  
COMMONWEALTH EDISON COMPANY'S ENERGY EFFICIENCY AND  
DEMAND RESPONSE PLANS**

10. The Commission has set Friday, November 30, 2007, as the deadline for the filing of written comments on the utility plans. Below are ConsumerPowerline's thoughts on the ComEd plan.

11. ConsumerPowerline commends the Illinois Commerce Commission (ICC) on its efforts to reduce electricity costs to consumers by diversifying Illinois' electricity resource portfolio through greater use of renewable and demand-side resources. The ICC has taken a great first step towards improving the reliability and efficiency of the electric system in Illinois, and ConsumerPowerline (CPLN) respectfully submits these recommendations towards achieving the ICC's goals.

## 12. **Demand Response and Energy Efficiency Goals**

*Energy efficiency, demand-response measures, and renewable energy are resources currently underused in Illinois. Illinois Power Agency Act, Section 1-5 (7)*

Illinois, like much of the country, has a great opportunity to leverage vastly underutilized resources, particularly those located behind the electric customer's meter. Energy efficiency, demand response, and distributed generation are essential to lowering energy costs to consumers, increasing the reliability of the electric grid, and decreasing Illinois' reliance on fossil fuels. These resources should be developed to their maximum potential before development of any new generation facilities, regardless of whether they are renewable or traditional generation resources. By significantly lowering electric consumption, Illinois can reduce or eliminate its need for increased generation, and do so in the cleanest, most cost-effective way possible.

To that end, CPLN strongly recommends significantly increasing the energy efficiency and demand response goals imposed on Illinois' utilities via the Illinois Power Agency Act (IPAA). The energy efficiency goals of 0.2% by June 1, 2008, increasing to 2% by June 1, 2015 (IPAA Sec. 12-103b) are a good start, but are much less than what Illinois could really achieve. New York, for example, recently announced a goal of 15% efficiency by 2015. While New York's goal is quite aggressive, CPLN believes that an 8% target in Illinois is both achievable and laudable.

Similarly, the demand response goal of 0.1% of each prior year's demand (IPAA Sec. 12-103c) is a good start, but much more can be done. Today Connecticut, for example, has 10% of its

peak load participating in demand response. Now while the needs of Illinois are understandably less urgent than those of Connecticut, through creativity, collaboration, and dedication, Illinois could certainly enable cost-effective demand response to meet at least 5-10% of its load by 2018, or even sooner. For example, in 2004, California implemented a goal of 3% of California's peak load to be met by demand response in 2005, increasing to 5% by 2007. In the end, this represented well over 2000 MW of electric capacity – essentially generation capacity that California did not build.

Below, ConsumerPowerline provides recommendations on how to achieve Illinois' current and potentially increased future demand response and energy efficiency goals, as well as examples of what has worked well in other areas.

### **13. Collaboration between Utilities, Energy Service Providers, and State Entities**

In Illinois, as in other regions, ConsumerPowerline strongly recommends the “All Hands on Deck” approach. The ICC has set good goals for reducing electric consumption, and in order to achieve these goals all cost-effective strategies and options must be pursued. Historically, success in energy efficiency has been achieved largely by utilities, load serving entities, non-profits, and increasingly by energy service providers. Each of these participants brings different expertise, experience, and perspectives to the effort. To foster this approach, it is important to foster collaboration, level the playing field, and eliminate as many barriers to entry as possible. A healthy mix of aggressive goals, accountability, and incentives will foster robust demand

response and energy efficiency markets in Illinois, ripe with creativity, collaboration, and competition.

In other regions where regulators indicated a dedication to reducing energy consumption and implemented rules, policies, and goals towards reductions, energy management industries arose, creating not only electric system and environmental benefits, but also significant economic development benefits through job creation, entrepreneurship, and technical innovation. This is yet another reason why seemingly diverse entities, with outwardly divergent missions, can achieve a high level of success in a wide range of areas through collaborating. Finally, increased energy efficiency and demand response will inherently improve the competitiveness of all Illinois' firms participating in load management programs, and through lowered rates will even improve competitiveness of those who don't participate.

CPLN specifically recommends greater collaboration between Illinois utilities, the Department of Commerce and Economic Opportunity (DCEO), the newly formed Illinois Power Authority (IPA), and third party energy management providers. Energy management firms, like ConsumerPowerline, are entirely focused on lowering the energy consumption of their clients through demand response, energy efficiency, and distributed generation. Frequently, these firms only earn revenues when they achieve significant savings for their customers. These firms recognize that they can only achieve their mission, and increase their revenues, by working hand in hand with utilities, state entities, and end-users. This collaborative approach is working extremely well in New York in particular, where public entities such as the New York State Energy Research and Development Authority (NYSERDA) works closely with all market participants to deliver innovative energy management technologies, programs, and services.



CPLN works closely with NYSERDA, saving its clients millions of dollars each year. Coupling NYSERDA's programs with the highly successful demand response programs of the New York Independent System Operator (NYISO), ConsumerPowerline offers its clients a comprehensive energy management package, covering all aspects of demand side management including demand response, energy efficiency, improved facility operations, and distributed generation.

**14. Role of the Illinois Power Authority**

*Procuring a diverse electricity supply portfolio will ensure the lowest total cost over time for adequate, reliable, efficient, and environmentally sustainable electric service.*

Illinois Power Agency Act, Section 1-5 (5)

The Illinois Senate, through Senate Bill 1592, has taken another great step in its creation of the Illinois Power Authority (IPA), whose mission it is to create and oversee a new electricity procurement method in Illinois, to stabilize electric rates and provide plans for the state's energy future. ConsumerPowerline strongly recommends that the newly-formed IPA consider demand response, energy efficiency, and distributed generation as integral components of Illinois' electric capacity mix. Including these demand side resources in supply planning, and valuing them directly in line with the generation resources they replace, reduces overall costs to ratepayers, lowers the environmental impact of Illinois' energy consumption, and solidifies the energy management market in Illinois. Furthermore, building new generation resources, whether renewable or not, would only make sense after getting the most from load reduction strategies through demand response, energy efficiency, distributed generation, and the synergies arising from a comprehensive approach.

Additionally, the IPA is in a great position to foster and shepherd the aforementioned collaboration amongst Illinois' energy market participants. Leveraging the experience and learning of regional energy management firms, as well as the work of public entities in other states, will enable Illinois to leapfrog some of the development challenges experienced elsewhere, and drive rapidly, and responsibly, towards a new energy future.

**15. Utility Specific Recommendations -- Commonwealth Edison**

Commonwealth Edison (ComEd) is in the fortunate position of leveraging the PJM Interconnection's (PJM) Demand Side Response programs. Through PJM's continued dedication to including demand side resources as an integral component of its capacity mix, it has created a wide range of highly successful demand response programs, and continues to do so. End-users participate through a number of different programs tailored to their abilities, risk tolerance, business realities, and comfort levels. Furthermore, PJM is currently exploring allowing energy efficiency resources to participate in its capacity markets, potentially providing a market-based funding source for permanent demand reductions. Demand response resources already receive capacity revenues akin to those earned by generation resources; providing this opportunity to energy efficiency projects will more closely align demand response and energy efficiency efforts, as well as provide price security for energy management firms and end-users.

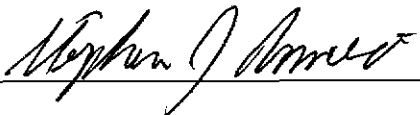
ConsumerPowerline strongly recommends increased demand response and energy efficiency goals for ComEd, particularly in light of the highly successful PJM programs available to its customers. In addition, close collaboration with energy management and demand response

providers would enhance ComEd's service offering to its customers and greatly increase the impact of its demand response and energy efficiency programs.

WHEREFORE, ConsumerPowerline respectfully requests that the Commission grant its "Petition For Leave to Intervene and Initial Comments" and that the Commission enter an order allowing ConsumerPowerline to intervene and fully participate in the above-captioned proceeding, including the right to file comments and participate in hearings and collaborative meetings in the instant case, and to otherwise exercise all statutory rights provided to intervenors under Illinois law.

Respectfully submitted,

Dated: November 29, 2007

By: 

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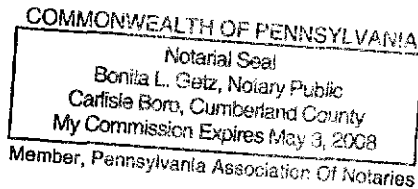
COUNSEL FOR CONSUMERPOWERLINE

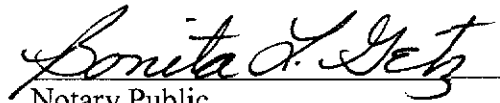
**VERIFICATION**

I, Stephen J. Romeo, Esq., certify that I am Counsel for ConsumerPowerline, that I have read the foregoing Petition and Initial Comments, that I am familiar with the facts stated therein, and the facts are true and correct to the best of my knowledge.

  
\_\_\_\_\_  
Stephen J. Romeo, Esq.

SUBSCRIBED and SWORN to before me this 29<sup>th</sup> day of November, 2007.



  
\_\_\_\_\_  
Notary Public

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

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**CERTIFICATE OF SERVICE**

I hereby certify that I served the foregoing **"Petition For Leave to Intervene and Initial Comments"** upon the following by first class mail, postage prepaid:

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